

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
OF
HEATHER RIDGE METROPOLITAN DISTRICT NO. 1**

Held: Thursday, the 11th day of October 2007, at 4:00 p.m. at 2811 S. Xanadu Way, Aurora, Colorado.

Attendance A meeting of the Heather Ridge Metropolitan District No. 1 was called and held as shown above and in accordance with the applicable statutes of the State of Colorado. The following directors, having confirmed their qualification to serve on the boards, were in attendance:

Errol Rowland	Jane S. Klein
Van Lewis	
Vincent Roith	
Mary Lou Braun	
Joan Beldock - absent	
Lee Eldredge - absent	

All director absences are deemed excused unless a contrary notation is recorded in these minutes. Also present was Joseph J. Lico, Esq, White Bear & Ankele, Professional Corporation, District General Counsel.

Call to Order Director Rowland called the meeting to order.

Quorum / Qualifications Director Rowland noted a quorum was present and all directors present were qualified to serve.

Approval of Agenda Director Roith made a motion to approve the agenda and Director Lewis seconded the motion. The motion passed unanimously.

Approval of Minutes of
September 13, 2007
Meeting A motion was made by Director Lewis and seconded by Director Roith to approve the minutes of the September 13th, 2007, meeting. The motion passed unanimously.

General items

Polling Results The results of the polling were 86% in favor of a Mill Levy. 223 votes were cast at the polling place. Discussion re: conduction of the vote was entertained.

Bond Insurance Renewal Mr. Lico advised the Board that this has been completed.

Legal

Discussion of certification
of Mill levy Mr. Lico advised the Board a final budget was needed by December 15th. The Board directed Mr. Lico to prepare a budget for 2008 based on the preliminary budget and to certify 1.5 mills to cover operation and maintenance costs. The Board discussed the 1.5 mills and it was determined to collect a little more than necessary under the assumption that 100% of the taxes would not be collected and it was better to err on the conservative side.

Ruled and
Regulations/By-Laws Mr. Lico advised the Board that no further action needed to be taken on this until January.

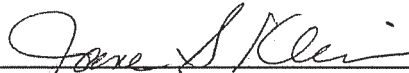
2008 Preliminary Budget The Board viewed preliminary budget. The Board had no questions and directed Mr. Lico to make sure 1.5 mills was certified for operation and maintenance costs.

Other Business

Next meeting November meeting of the District was deemed unnecessary unless issues arise.

Adjourn Motion made by Director Lewis to adjourn. Seconded by Director Roith. Passed unanimously.

Next regular meeting of the District is December 13, 2007 at 4:00 PM at 2811 South Xanadu Way.



Secretary for the Meeting